

**Source Selection Statement for the
JSC Engineering, Technology and Science (JETS) Contract
National Aeronautics and Space Administration (NASA)**

On January 29, 2013, I, along with other key officials of NASA's Johnson Space Center (JSC), met with the Source Evaluation Board (SEB) appointed to evaluate proposals submitted in response to the JETS solicitation. The presentation charts represent the final source evaluation report and are herein incorporated by reference.

I. Procurement History

This contract provides for engineering and scientific products and technical services support at JSC including: (1) Engineering design, development, sustaining engineering, analysis, assessment, test services, and laboratory/facility maintenance and operation (M&O) for the JSC Engineering Directorate; and (2) Planetary missions research, physical science research, astromaterial curation, and laboratory/facility M&O for the JSC Astromaterials Research and Exploration Science (ARES) Directorate.

JETS is a follow-on contract for the Engineering and Science Contract (ESC) and will be a single award Indefinite Delivery/Indefinite Quantity (IDIQ) contract. The not-to-exceed value of JETS is \$1.93 billion for a 9-year ordering period consisting of a 5-year base (May 1, 2013, through April 30, 2018) with two, 2-year options (May 1, 2018, through April 30, 2020, and May 1, 2020, through April 30, 2022).

The Contracting Officer (CO) issued Request for Proposals NNJ11379802R (RFP) on April 20, 2012. Subsequently, nine amendments were posted. The procurement was conducted as a full and open competition in accordance with Federal Acquisition Regulations (FAR) Part 15, Contracting by Negotiation. The RFP divided the proposals into four volumes with three different due dates. Volume II, related to past performance and Volume IV, related to Organizational Conflict of Interest (OCI) Mitigation, were due on May 30, 2012. Volume I, related to mission suitability, Volume III, related to cost/price proposal, and Volume IV, related to the model contract, were due on June 20, 2012. Volume I(a), related to mission suitability task order (TO) 10, was due on July 9, 2012. Complete proposals were received from the following companies:

Lockheed Martin Corp. (Lockheed Martin)
Information Systems & Global Solutions
2625 Bay Area Blvd., Mail Code: A7B
Houston, TX 77058

Stinger Ghaffarian Technologies, Inc. (SGT)
7701 Greenbelt Rd., Suite 400
Greenbelt, MD 20770

Jacobs Technology, Inc. (Jacobs)
600 William Northern Blvd.
Tullahoma, TN 37398

Honeywell Technology Solutions Inc. (Honeywell)
7000 Columbia Gateway Drive
Columbia, Maryland 21046

As provided in Section M.3 of the RFP, Evaluation Factors For Award:

The Government will award a contract resulting from this solicitation to the Offeror whose proposal represents the best value to the Government. This procurement will be conducted utilizing a combination of mission suitability, past performance and cost/price evaluation factors. The lowest price proposals may not necessarily receive an award; likewise, the highest technically rated proposals may not necessarily receive an award.

In accordance to Section M.4 of the RFP, each proposal received a mission suitability score based on the following subfactors and associated numerical weights.

Management Approach	250 points
Technical Approach	500 points
Safety & Health Approach	150 points
Small Business Participation	100 points
TOTAL	1000 points

The mission suitability subfactors were evaluated and assigned an adjectival rating using the following scale: Excellent, Very Good, Good, Fair, and Poor.

Past performance was also evaluated and was based on information provided by the Offeror in its narrative, from the Past Performance Questionnaires, communications with listed references, and any other information obtained independently by the SEB. Past Performance was evaluated and rated using the following levels of confidence ratings: Very High Level of Confidence, High Level of Confidence, Moderate Level of Confidence, Low Level of Confidence, Very Low Level of Confidence, and Neutral/Unknown Confidence.

Under the cost/price factor, the Government performed price analysis to ensure that the final agreed-to prices are fair and reasonable, and a cost analysis to include a cost realism analysis, in accordance with FAR Part 15 and NASA FAR Supplement (NFS) Part 1815. As part of the cost realism analysis, the Government assessed the Offeror's proposed direct labor rates, indirect rates and resources based on its selected approach and developed a probable cost estimate for the RFP task orders (TOs) and Statement of Work (SOW) Section 1. This evaluation of the cost factors resulted in a probable cost which may differ from the proposed cost and reflects the Government's best estimate of the cost that is most likely to result from the Offeror's proposal.

As provided in the RFP, mission suitability and past performance, when combined, are significantly more important than cost. Mission suitability is more important than past performance.

II. Evaluation of Initial Proposals

All four proposals were determined to be acceptable and were evaluated in accordance with FAR Part 15 and NFS Part 1815 as well as the criteria stated in the RFP. The results of the initial evaluation were presented to the Source Selection Authority (SSA) at a Competitive Range meeting on October 16, 2012 and at a second "Delta" Competitive Range meeting held on December 12, 2012. The results from the "Delta" Competitive Range meeting are summarized below.

Lockheed Martin

Under the mission suitability factor, Lockheed Martin received a total point score of 633 out of 1000 points. Lockheed Martin received 1 significant strength, 12 strengths, 2 significant weaknesses and 17 weaknesses.

Under the technical approach subfactor, Lockheed Martin received an adjectival rating of "Good." Lockheed Martin received 5 strengths, 1 significant weakness and 11 weaknesses.

Under the management approach subfactor, Lockheed Martin received an adjectival rating of "Good." Lockheed Martin received 6 strengths, 1 significant weakness and 3 weaknesses.

Under the safety and health subfactor, Lockheed Martin received an adjectival rating of "Good." Lockheed Martin received 1 strength and 1 weakness.

Under the small business subfactor, Lockheed Martin received an adjectival rating of "Excellent." Lockheed Martin received 1 significant strength and 2 weaknesses.

Under the cost/price factor, adjustments in the proposed cost were made for inadequate staffing, skill mix and Non-Labor Resources (NLRs) related to the weaknesses identified under the technical approach for the completion form TOs and SOW Section 1. In addition, an adjustment was made for a RFP ambiguity related to NLRs for TO 9. Specifically, after the RFP was issued, TO 9 was later determined to be ambiguous as to whether a heat exchanger would be provided by the Government. Furthermore, adjustments were made for incumbent labor rates and incorporated the Forward Pricing Rate Agreement (FPRA) direct labor and indirect rates for the prime, and indirect rates for its major subcontractor for the completion form TOs, SOW Section 1 and Level of Effort (LOE) TO.

Under the past performance factor, Lockheed Martin's and its teammates' contracts and subcontracts provided relevant and recent past performance which is highly pertinent to the JETS contract. A past performance rating of Very High Level of Confidence was assigned because Lockheed Martin and its teammates have demonstrated exemplary performance on work that is highly pertinent to the magnitude and complexity of the JETS contract. With respect to scope, only limited experience was demonstrated for SOW Section 2.5 Research and Development (with the exception of 2.5.1 Engineering Research).

Jacobs

Under the mission suitability factor, Jacobs received a total point score of 874 out of 1000 points. Jacobs received 6 significant strengths, 7 strengths, 2 significant weaknesses and 12 weaknesses.

Under the technical approach subfactor, Jacobs received an adjectival rating of "Very Good." Jacobs received 2 significant strengths, 4 strengths, 1 significant weakness and 8 weaknesses.

Under the management approach subfactor, Jacobs received an adjectival rating of "Very Good." Jacobs received 2 significant strengths, 3 strengths, 1 significant weakness and 2 weaknesses.

Under the safety and health subfactor, Jacobs received an adjectival rating of "Excellent." Jacobs received 1 significant strength and 1 weakness.

Under the small business subfactor, Jacobs received an adjectival rating of "Excellent." Jacobs received 1 significant strength and 1 weakness.

Under the cost/price factor, adjustments in the proposed cost were made for inadequate staffing and NLRs related to the weaknesses identified under the technical approach for the completion form TOs and SOW Section 1. An adjustment was made for the RFP ambiguity related to NLRs. Furthermore, adjustments were made for uncompensated overtime and labor escalation for exempt personnel related to the significant weakness identified under the management approach subfactor and for incumbent labor rates for the completion form TOs, SOW Section 1 and LOE TO.

Under the past performance factor, Jacobs's and its teammates' contracts provided relevant and recent past performance which is very highly pertinent to the JETS contract. A past performance rating of Very High Level of Confidence was assigned because Jacobs and its teammates have demonstrated exemplary performance on work that is very highly pertinent to the magnitude and complexity of the JETS contract. With respect to scope, relevant past performance was demonstrated for every SOW section.

SGT

Under the mission suitability factor, SGT received a total point score of 818 out of 1000 points. SGT received 3 significant strengths, 11 strengths, 1 significant weakness and 16 weaknesses.

Under the technical approach subfactor, SGT received an adjectival rating of "Very Good." SGT received

1 significant strength, 5 strengths and 11 weaknesses.

Under the management approach subfactor, SGT received an adjectival rating of “Very Good.” SGT received 1 significant strength, 5 strengths, 1 significant weakness and 3 weaknesses.

Under the safety and health subfactor, SGT received an adjectival rating of “Excellent.” SGT received 1 significant strength and 1 weakness.

Under the small business subfactor, SGT received an adjectival rating of “Good.” SGT received 1 strength and 1 weakness.

Under the cost/price factor, adjustments in the proposed cost were made for inadequate staffing, skill mix, NLRs, and unsupported efficiencies/innovations related to the weaknesses identified under the technical approach --for the completion form task orders and SOW Section 1. In addition, an adjustment was made for the RFP ambiguity related to NLRs. Furthermore, adjustments were made for incumbent labor rates and direct labor escalation rates for Collective Bargaining Agreement (CBA) personnel for the completion form TOs, SOW Section 1 and LOE TO.

Under the past performance factor, SGT’s and its teammates’ contracts and subcontracts provided relevant and recent past performance which is highly pertinent to the JETS contract. A past performance rating of Very High Level of Confidence was assigned because SGT and its teammates have demonstrated exemplary performance on work that is highly pertinent to the magnitude and complexity of the JETS contract. With respect to scope, only limited experience was demonstrated for SOW Sections 2.4.2, 2.4.3, 2.5.2, 2.5.4, and 2.5.8.

Honeywell

Under the mission suitability factor, Honeywell received a total point score of 428 out of 1000 points. Honeywell received 0 significant strengths, 8 strengths, 4 significant weakness and 27 weaknesses.

Under the technical approach subfactor, Honeywell received an adjectival rating of “Poor.” Honeywell received 3 strengths, 3 significant weaknesses and 14 weaknesses.

Under the management approach subfactor, Honeywell received an adjectival rating of “Fair.” Honeywell received 3 strengths, 1 significant weakness and 11 weaknesses.

Under the safety and health subfactor, Honeywell received an adjectival rating of “Good.” Honeywell received 1 strength and 1 weakness.

Under the small business subfactor, Honeywell received an adjectival rating of “Good.” Honeywell received 1 strength and 1 weakness.

Under the cost/price factor, adjustments in the proposed cost were made for inadequate staffing, skill mix, NLRs, and unsupported efficiencies/innovations for the completion form task orders and SOW Section 1. In addition, adjustments were made for incumbent labor rates, direct labor rates and escalation for CBA personnel for the completion form TOs, SOW Section 1 and LOE TO. Furthermore, an adjustment was made to correct inconsistencies between the Fully Burdened Labor Rates (FBLRs) proposed in the cost/price proposal and Section B of the model contract. The SEB used the FBLRs shown in Section B in determining Honeywell’s proposed price in accordance with Section M of the RFP. Furthermore, an adjustment was made to correct a significant input error in proposed total non-labor resources cost for the LOE TO.

Under the past performance factor, Honeywell’s and its teammates’ contracts and subcontracts provided relevant and recent past performance which is pertinent to the JETS contract. A past performance rating of High Level of Confidence was assigned because Honeywell and its teammates have demonstrated

exemplary performance on work that is pertinent to the magnitude and complexity of the JETS contract. With respect to scope, only limited experience was demonstrated for SOW Section 2.5.

Based on the findings from the SEB, it was determined that award on the initial proposals was not appropriate, and a competitive range of the most highly rated proposals was established in accordance with the evaluation procedures described above. The CO determined it was in NASA's best interest to establish a competitive range of Jacobs/SGT as a result of the clear delineation between these two offerors and Lockheed Martin/Honeywell. This clear delineation was due in part to the fact that SGT and Jacobs had substantially higher mission suitability scores and lower initial probable costs as compared to Lockheed Martin and Honeywell. On October 16, 2012, the SSA concurred with the CO's determination.

An amendment to the competitive range determination was issued on December 12, 2012 which involved the re-scoring of SGT's proposal based on a page count issue with its original proposal that was discovered subsequent to the closing of discussions. The matter was presented to the SSA, and to maintain fairness, transparency and process integrity, the decision was made to revisit SGT's original proposal, account for the procedural error with page counting, re-establish a competitive range and seek approval to re-open discussions. Only SGT's initial evaluation was impacted by this procedural error. Taking into account the change in SGT's mission suitability score, due to correcting the page count issue, the CO determined that it was in NASA's best interest to establish a competitive range of Jacobs/SGT (the most highly rated proposals) as a result of the clear delineation between these two offerors and Lockheed Martin/Honeywell. This clear delineation was due in part to the fact that SGT and Jacobs had substantially higher mission suitability scores and lower initial probable costs as compared to Lockheed Martin and Honeywell. On December 12, 2012, the SSA concurred with the CO's second determination.

III. Discussions and Evaluation of Final Proposal Revisions (FPRs)

All offerors were informed of their exclusion from or inclusion in the competitive range via letters dated October 17, 2012. Oral discussions were held separately with the Offerors in the competitive range on November 7, 2012 and November 9, 2012. Discussions were closed on November 27, 2012. Due to the amendment of the competitive range determination, discussions were re-opened with both Offerors on December 13, 2012. Discussions were closed on December 18, 2012. The FPRs from both Offerors were received on December 21, 2012.

SGT

Under the mission suitability factor, SGT's proposal received a total point score of 902 out of 1000 points. All 16 weaknesses were adequately addressed in the FPR. One strength became a significant strength. The only significant weakness was not fully addressed and became a weakness and one new weakness was identified. SGT received 4 significant strengths, 10 strengths, and 2 weaknesses across the mission suitability subfactors.

Under the technical approach subfactor, SGT's proposal received an adjectival rating of "Very Good." SGT received 1 significant strength, 5 strengths, and 1 weakness. The SEB assessed a significant strength (TA2 SS1) for an exceptional comprehensive understanding of the work scope defined by TO 3¹. A combination of the significant strength and strengths impacted 7 out of 10 individual completion form (ICF) TOs. In terms of the strengths, SGT demonstrated insightful and in-depth comprehensive understanding in 6 out of 10 ICF TOs garnering recognition by the SEB in various functions such as project management, maintenance management, and risk assessment as well as corporate reach-back². SGT's proposal for TO 1³

¹ TO 3, Spacecraft Software Engineering

² The term "corporate reach-back" is generally defined herein as a capability to leverage non-dedicated JETS resources that exist internal and external to the prime contractor.

was recognized in a strength (TA2 S1) for maintenance management and facility readiness. SGT received a strength for project management and corporate reach-back for its proposal to TO 8⁴ (TA2 S3). SGT received a strength for project management and risk assessment for its proposal to TO 9⁵ (TA2 S4). The SEB recognized SGT's detailed technical and scientific knowledge about the work and associated processes for all ARES TOs (TO 4, TO 5, and TO 7⁶) (TA2 S2). SGT received a strength for its proposed Quality Management approach (TA3 S1). The SEB identified one new weakness that resulted from SGT's FPR, where changes were submitted by a subcontractor which were not anticipated during discussions and involved an area of its initial proposal which had not required discussions. This weakness (TA2 W13) relates to an unsound mapping of several unique labor categories provided by one of SGT's proposed subcontractors as compared to NASA's Standard Labor Categories (SLCs).⁷

Under the management approach subfactor, SGT's proposal received an adjectival rating of "Very Good." SGT received 1 significant strength, 5 strengths, and 1 weakness. The SEB assessed a significant strength for SGT's highly effective and efficient External Customer Plan (MA4 S1). The SEB also assessed strengths in SGT's overall management approach (including contract management [MA1 S1], TO processing [MA1, S2], and property management [MA1 S3]), staffing approach (MA3 S1) and contract phase-in approach (MA5 S1). The SEB assessed one weakness remaining in SGT's FPR under the management subfactor (MA3 W3). This weakness was the result of SGT's FPR not fully addressing a significant weakness which had been identified to and discussed with SGT. The significant weakness concerned SGT's proposed approach for establishing a productive work week and its proposed escalation rates for exempt employees. SGT's FPR did address the majority of the issues identified in the initial proposal's significant weakness, but the SEB determined that a weakness nevertheless remained with SGT's proposed escalation rate for exempt employees in contract year (CY) 2.

Under the safety and health approach subfactor, SGT's proposal received an adjectival rating of "Excellent." SGT received 1 significant strength for its exemplary Safety and Health Plan which demonstrated, to a very great extent, top management's understanding and commitment to the safety and welfare of the JETS workforce.

Under the small business approach subfactor, SGT's proposal received an adjectival rating of "Excellent." SGT received 1 significant strength for its Small Business Subcontracting Plan which significantly exceeded the requirements of the RFP and demonstrated strong small business utilization and commitment to small businesses by proposing goals which exceed the RFP goals for all categories as well as a commitment to NASA's mentor protégé program.

Under the cost/price factor, the largest portion of adjustments in the proposed cost was made for incumbent labor rates. Some adjustment was made for a labor escalation rate related to the weakness identified in the management approach consistent with SGT's proposed total time accounting practice. The remainder of adjustments was made for unsound mapping of labor categories proposed by one of SGT's subcontractors related to the weakness identified in the technical approach, and for minor rates corrections for 2 of SGT's subcontractors for the completion form task orders, SOW Section 1 and LOE TO.

Under the past performance factor, the past performance rating for SGT's proposal remained at a "Very High Level of Confidence." SGT proposed 14 contracts and subcontracts to cover itself and its major subcontractors. One of SGT's contracts was deemed to be "relevant," 1 of its subcontracts was deemed to

³ TO 1, Energy Systems Test Area Battery Facility Maintenance

⁴ TO 8, International Space Station Permanent Leak Repair Technology Demonstration

⁵ TO 9, Hardware Design and Fabrication

⁶ TO 4, ARES Astromaterials Curation. TO 5, ARES Astromaterials Research. TO 7, ARES Mission Services.

⁷ Specifically, several of NASA's SLCs required a higher minimum educational level as compared to the defined educational level for the applicable unique labor categories submitted by SGT's subcontractor. This unsound mapping increases the risk that SGT will not be able to successfully meet the JETS requirements due to contractor personnel lacking appropriate qualifications.

be “relevant,” and 1 of its proposed subcontractor’s contracts was deemed to be “relevant” to the JETS contract. Questionnaire feedback ratings for these contracts and subcontract ranged from good to excellent plus. SGT provided past performance data on three universities and one minor subcontractor. The SEB determined that taken together, the contracts, subcontracts, and other data provided relevant and recent past performance which is “highly pertinent” to the JETS contract. With respect to scope, relevant past performance was demonstrated for every major aspect of the SOW.

Jacobs

Under the mission suitability factor, Jacobs’s proposal received a total point score of 931 out of 1000 points. Both of the significant weaknesses and all 12 of the weaknesses in the initial proposal were adequately addressed in the FPR. Jacobs received 6 significant strengths and 7 strengths across the mission suitability subfactors.

Under the technical approach subfactor, Jacobs’s proposal received an adjectival rating of “Excellent.” Jacobs received 2 significant strengths and 4 strengths. The SEB assessed a significant strength (TA1 SS1) in Jacobs’s extremely innovative and effective approach to develop and infuse efficiencies, innovations and technology into the JETS Contract. The SEB also assessed a significant strength (TA3 SS1) for Jacobs’s Quality Management approach. A combination of the strengths impacted 9 out of 10 ICF TOs. Jacobs demonstrated in-depth comprehensive understanding in 7 out of 10 ICF TOs garnering recognition by the SEB in project management and test planning functions. In one strength (TA2 S1), 6 TOs (TO 2, TO 3, TO 4, TO 5, TO 6, and TO 7⁸) were recognized for project management skills.⁹ The SEB assessed a strength as it recognized project management and test planning skills for TO 8¹⁰ (TA2 S3). Also, Jacobs submitted a sound technical plan with value added best practices for hardware design updates associated with TO 9¹¹ (TA2 S4). Finally, the SEB recognized Jacobs’s proposed corporate reach-back associated with multiple subsystems for spacecraft development that would increase efficiency by reducing development time and project cost for TO 10¹² (TA2 S5).

Under the management approach subfactor, Jacobs’s proposal received an adjectival rating of “Excellent.” Jacobs received 2 significant strengths and 3 strengths. The SEB assessed a significant strength in Jacobs’s extremely effective and innovative Contract Management Plan (MA1 SS1). The SEB also assessed a significant strength in Jacobs’s extremely detailed External Customer Approach (MA4 SS1). The SEB also determined that the Jacobs proposal had strengths in its Key Personnel Approach (MA2 S1), Staffing Approach (MA3 S10) and Contract Phase-In Approach (MA5 S1).

Under the safety and health approach subfactor, Jacobs’s proposal received an adjectival rating of “Excellent.” Jacobs received 1 significant strength for its Safety and Health Plan which demonstrates an exemplary overall understanding of both JSC Safety requirements and OSHA VPP elements.

Under the small business approach subfactor, Jacobs’s proposal received an adjectival rating of “Excellent.” Jacobs received 1 significant strength for its Small Business Subcontracting Plan which demonstrated exceptional small business utilization and a commitment to small businesses by proposing goals which exceed the RFP goals for all categories and a commitment to the mentor protégé program.

⁸ TO 2, Electronic Systems Test Laboratory (ESTL) Test Development Services. TO 3, Spacecraft Software Engineering. TO 4, ARES Astromaterials Curation. TO 5, ARES Astromaterials Research. TO 6, Crew and Thermal Systems Division Chamber B Maintenance and Operations. TO 7, ARES Mission Services.

⁹ The SEB explained that the consistent theme it determined across 6 TOs, which covered multiple disciplines, was indicative of a higher likelihood of application of these skills across prospective work under the JETS contract and not just the 6 representative TOs addressed in this strength.

¹⁰ TO 8, ISS Permanent Leak Repair Technology Demonstration.

¹¹ TO 9, Hardware Design and Fabrication.

¹² TO 10, Rapid Recovery System.

Under the cost/price factor, adjustments in the proposed cost were made for a subcontractor's indirect rates based on the latest negotiated forward pricing indirect rates between this subcontract and the cognizant Defense Contract Management Agency (DCMA) office and for incumbent labor rates proposed by the Jacobs team which resulted in insignificant cost impact for the completion form task orders, SOW Section 1 and LOE TO.

Under the past performance factor, the past performance rating for Jacobs's proposal remained at "Very High Level of Confidence." Jacobs submitted 7 contracts to cover itself and its major subcontractors. One of Jacobs's contracts was deemed to be "very relevant" and two were deemed to be "relevant" to the JETS contract. Questionnaire feedback ratings on these contracts ranged from good to excellent plus. The SEB determined that taken together, the contracts provided relevant and recent past performance which is "very highly pertinent" to the magnitude and complexity of the JETS contract. With respect to scope, relevant past performance was demonstrated for every SOW section.

IV. Decision

Following the presentation by the SEB and the vigorous questioning of the SEB by me and my advisors, I fully considered the findings the SEB presented to me and held an executive session on January 29, 2013 with my advisors. I commended the SEB on their comprehensive and detailed evaluation of the two very strong proposals remaining in the competitive range. The selection of either proposal promised a high likelihood of successful contract performance. I requested and received the opinions of the advisors present at the executive session as well as asked for their comments, objections, or concerns with the materials presented to us. I accepted the findings of the SEB as they were presented to me. I made a comparative assessment of the two proposals based on the evaluation factors in the solicitation – mission suitability, past performance, and cost. In comparing the two proposals consistent with the RFP, I considered mission suitability as more important than past performance and mission suitability when combined with past performance, as significantly more important than cost.

I first considered the two proposals under the mission suitability factor. Among the mission suitability subfactors, the number of points assigned for evaluation purposes indicated that the technical approach was more important than the management approach which in turn was more important than the safety and health approach which in turn was slightly more important than small business participation. The SEB's point and adjectival results signaled to me that there might be a qualitative advantage to Jacobs in the technical and management subfactors.¹³ Comparatively, the SEB's point results signaled to me that there might be a qualitative advantage to SGT in the safety and health subfactor. There was no indication as to any advantage with either proposal regarding small business participation as the SEB's point and adjectival ratings were equal. With these observations in mind, I began my inquiry and analysis.

In comparing the relative value of the mission suitability findings for the two proposals, I started with the technical approach subfactor and first considered the significant strengths. I noted that Jacobs received 2 significant strengths and SGT received 1 significant strength for their respective technical approaches. In significant strength TA1 SS1 to Jacobs addressing the infusion of efficiencies, innovations and technologies, I noted that the SEB went into great detail explaining the multiple bases in their evaluation report.¹⁴ In the second of Jacobs's significant strengths (TA3 SS1), the AS9100C certification approach

¹³ Jacobs received an adjectival rating of "Excellent" for both the technical and management approach subfactors. Comparatively, SGT received an adjectival rating of "Very Good" for both the technical and management approach subfactors. The points assigned by the SEB for evaluation purposes were higher for Jacobs's as compared to SGT's in these subfactors.

¹⁴ The detailed finding underscored the broad scope and great depth of this significant strength, as it addressed many areas affecting both the JSC Engineering and ARES Directorates. The detailed finding also addressed a corporate commitment by Jacobs to the success of implementing efficiencies by funding various innovation proposals with unallocated reserved resources and profits.

was found by the SEB to be above and beyond the RFP requirements due to Jacobs's multi-layered certification approach. I felt that the approaches evaluated in these two significant strengths have an impact across a very broad range of contract work. As a result, I considered these two significant strengths taken together to be of higher meaningful qualitative value as compared to SGT's significant strength. SGT's significant strength (TA2 SS1), although impressive, was more focused in a particular area, i.e., spacecraft software engineering. The SEB emphasized the depth and accuracy of SGT's comprehension specific to TO 3 as well as its proposed resource reductions due to achievable efficiencies. I did recognize that software engineering affects multiple contract areas, but I placed a higher relative value in the fundamental systemic approaches addressed in Jacobs's two significant strengths and their broader applicability across the JETS contract. I find substantial value in the fact that both of Jacobs's significant strengths have broad reach and impact across the full spectrum of the contract's scope of work. Particularly, in my mind, the higher-order systemic skills that these significant strengths represent result in a higher likelihood for successful completion of future JETS work. In regard to the individual significant strengths, I recognized the greatest relative value in TA1 SS1 (to Jacobs) over the remaining 2 significant strengths because the infusion of innovations, efficiencies, and technologies have long term and broad reaching benefits in terms of reduction in work hours as well as increased effectiveness of engineering processes and design projects as reflected in the SEB's detailed finding. I also found value in TA2 SS1 (to SGT) because in my mind, spacecraft software engineering affects a broad range of prospective JETS work as software is relied upon in so many ways. But relative to TA2 SS1 (to SGT), I found slightly higher relative value in Jacobs's commitment of its own resources reflected in both of its significant strengths affecting a broader range of JETS work and which I viewed as a corporate characteristic resulting in a higher likelihood for achievability of the applicable approaches.

I moved on to analyze the strengths and weakness associated with the technical approach subfactor. I noted that SGT received 5 strengths and Jacobs received 4 strengths for their respective technical approaches. I also noted that Jacobs received strengths that impacted 9 out of 10 ICF TOs and SGT received a combination of one significant strength and strengths that impacted 7 out of 10 ICF TOs. With respect to Jacobs's technical proposal, I placed significant value in the SEB's recognition of project management skills (e.g., management and identification of subtasks, deliverables, milestones; detailed workflow; critical path scheduling; coordination) in 7 out of 10 ICF TOs¹⁵ in two separate findings (TA2 S1, TA2 S3). I considered project management to represent a higher-order systemic capability that in my opinion translates to a higher likelihood for successful completion of a broad scope of future work under the JETS contract. Also of significant value, I recognized that 6 out of 10 ICF TOs were substantially recognized for project management collectively in one strength (TA2 S1), which underscores a thematic or cross-cutting characteristic in Jacobs's overall technical proposal. I found value in the SEB's recognition of project management in SGT's technical proposal in 3 out of 10 ICF TOs¹⁶ in three separate findings (TA2 SS1, TA2 S3, TA2 S4). I considered SGT's significant strength (TA2 SS1) as having a significantly higher relative value over any individual strength. I also noted that SGT received a strength for its Quality Management approach (TA3 S1), which represents a systemic capability. However, as noted above, Jacobs received a significant strength for its relatively stronger Quality Management approach (TA3, SS1). As I placed a significantly higher relative value on significant strengths as compared to strengths, I found a significantly higher relative value in Jacobs's Quality Management approach as compared to SGT's. I also found greater relative value in TA2 S5 (to Jacobs) as compared to TA2 S3 (to SGT) as Jacobs's strength demonstrated its considerable corporate reach-back capabilities in regard to spacecraft subsystem development and integration, which I regard as very important components in future U.S. human spaceflight success. I noted that SGT was recognized for corporate reach-back (TA2 S3), but this

¹⁵ I noted that the SEB *tangentially* recognized project management skills in one significant strength (TA1 SS1) and 2 strengths (TA2 S4, TA2 S5) wherein the strengths addressed 2 TOs (TO 9 and TO 10).

¹⁶ I also noted that the SEB *tangentially* recognized project management skills in 2 strengths (TA2 S1, TA2 S2) for 4 TOs (TO 1, TO 4, TO 5, and TO 7). In terms of relative value, I concluded the strengths that substantially recognized project management skills greatly outweighed the strengths that tangentially recognized these skills due to a substantial difference in likelihood for successful completion of prospective work under the JETS contract.

capability was of lower level in depth and degree as compared to Jacobs's capabilities. I found value in strength TA2 S2 (to SGT) as recognizing an increased likelihood of successful performance of work affecting the ARES Directorate. But, I found similar value in the fact that Jacobs was given similar recognition in its strength TA2 S1¹⁷ and thus, I determined that TA2 S2 (to SGT) did not result in a qualitative advantage for SGT. I noted that SGT received a weakness (TA2 W13) due to one of its subcontractors providing an unsound mapping of its unique labor categories to NASA's SLCs. The SEB informed me that it considered this weakness to have no bearing on SGT's adjectival rating and to have inconsequential bearing in terms of its assigned points. Thus, I concluded that this weakness had no effect on my qualitative comparative assessment in this subfactor.

Comparing the two technical approaches as a whole, I placed a higher relative value on systemic characteristics over a point solution for an ICF TO for several reasons.¹⁸ I found the two proposals to be essentially equal in terms of comprehensive understanding of the RFP completion form TOs.¹⁹ Ultimately, the most notable difference was in my placing a greater relative value in Jacobs's technical approach due to stronger systemic thematic characteristics reflected in the efficiencies, innovations, and technology infusion approach; Quality Management approach; project management; corporate commitment; and corporate reach-back. Although SGT's technical approach displayed strong systemic characteristics, Jacobs's stronger systemic characteristics led me to conclude that Jacobs's technical approach has a higher likelihood for successful completion of prospective work under the JETS contract. I determined that Jacobs's technical approach was qualitatively superior to SGT's.

Next I performed a comparative assessment of the management approach subfactor. I first considered the significant strengths assessed by the SEB for both offerors' management approaches. I noted that Jacobs received two significant strengths and SGT received one significant strength. Jacobs's first significant strength (MA1 SS1) related to its extremely effective and innovative Contract Management Plan (CMP). The detailed findings for this significant strength describe Jacobs's contractual commitment to implement 22 different proposed innovations funded out of corporate resources. Jacobs also proposed and substantiated as realistic a 3-day turnaround for TO proposals which is significantly faster than the 5 days required by the RFP and provides a significant benefit to the Government. Jacobs's Integrated Team Management Approach proposed that all of Jacobs's teammates operate as a single unit, matching the best person to the job regardless of company affiliation, which offers substantial value to the Government in that the approach optimizes the support provided by the contractor team. Jacobs's second significant strength (MA4 SS1) related to its extremely detailed External Customer Approach, which includes an aggressive award fee goal of offsetting substantial contract cost over the life of the contract through the development of external customers. SGT's proposal also rated a significant strength (MA4 SS1) for its highly effective and efficient External Customer Approach. SGT proposed an aggressive award fee metric for external customer recruitment which also offset substantial contract cost as well as a detailed marketing plan for attracting external customers including four potential customers identified in the proposal.

Following consideration of the significant strengths, I next considered the strengths and weakness associated with the management approach subfactor. I noted that SGT received 5 strengths and Jacobs

¹⁷ All ARES TOs (TO 4, TO 5, and TO 7) were identified in TA2 S1 (to Jacobs).

¹⁸ TOs 1-10 were intended to represent 60% of the work under the JETS contract. Hence, I found significant relative value for systemic characteristics reflected in the SEB's evaluation of TOs 1-10 as being also applicable to the remaining 40% of the work (reflected in the LOE TO) under the JETS contract. Further, it is obvious that the entire JETS contract will not consist solely of TOs 1-10 as these TOs were intended to be, in part, representative of an IDIQ contract. Finally, because the JETS contract is a 100% IDIQ contract, the full content of this contract is yet to be determined. For these reasons, I placed a higher relative value on systemic characteristics over a point solution primarily intended to address an ICF TO.

¹⁹ Although the SEB recognized 9 out of 10 individual TOs in the strengths it assessed for Jacobs's technical proposal as compared to recognizing 7 out of 10 individual TOs in a significant strength and strengths for SGT's technical proposal, I placed a higher relative value in SGT's significant strength in comparison to any identified strength in both Jacobs and SGT's proposals. In conclusion, I determined that both proposals were of equal relative value in terms of demonstrating a comprehensive understanding of ICF TOs.

received 3 strengths for their respective management approaches. SGT's strengths related to its proposed use of contract management and communication tools, an effective task ordering process and independent Safety and Mission Assurance (S&MA) management structure, a strong Property Management Plan, the use of a contractor funded retention bonus pool and an effective phase-in plan. Jacobs's strengths related to a strong understanding of the JETS requirements for key personnel, an effective and efficient flexible staffing approach and an effective phase-in plan. I considered the one remaining weakness in SGT's management approach. This weakness related to SGT's proposal of a low exempt employee salary escalation rate for CY2. I accepted the SEB's assessment that the proposed low exempt employee escalation rate for CY2 could lead to increased attrition of professional employees.

Comparing the two management proposals as a whole, I found the greatest value in Jacobs's significant strength (MA1 SS1) for its CMP including the 22 different proposed innovations, a 3-day turnaround for TO proposals, and Integrated Team Management Approach.²⁰ I next considered the external customer approach of both offerors. SGT and Jacobs each received a significant strength for their respective external customer approach and proposed to offset substantial contract costs through the development of external customers. I found value in SGT's proposed offset due to a higher offset value and strong corporate commitment to this value. I found value in Jacobs's ability to attract external customers due to its corporate commitment to obtain off-site AS9100C certification and its stated corporate policy, reflected in its Model Contract, of not competing with Original Equipment Manufacturers. I ultimately found no measurable qualitative difference between the external customer approaches. I then turned my attention to each offerors' strengths. Among the strengths for both offerors I found value in SGT's contract management approach including its proposed use of a management tool for contract management and communication (MA1 S1). This tool effectively integrates all management information and can support both large and small tasks effectively. Although I found value in this strength (MA1 S1 to SGT), I found greater relative value in Jacobs's significant strength for its contract management plan (MA1 SS1) for the reasons discussed above. I also found value in SGT's strength for effective and efficient task ordering (MA1 S2), though I noted that the SEB did not value it as highly as Jacobs's proposed task ordering process including its commitment to a 3-day turnaround which is emphasized in a significant strength for Jacobs (MA1 SS1) and I agreed with the SEB's assessment. For that reason, I found greater relative value in Jacobs's significant strength (MA1 SS1). I also found value in SGT's strengths for its proposed independent S&MA management structure (MA1 S2), its in-depth understanding of how JSC manages installation accountable property (MA1 S3), and its approach to using a contractor funded bonus pool to retain critical skills or essential personnel (MA3 S1). SGT's strengths for its approach to S&MA management, property management, and employee retention add value throughout the entire JETS contract. However, I found equivalent relative value in Jacobs's demonstrated overall understanding of the requirements and qualifications for key personnel (MA2 S1) and its flexible, efficient and effective approach to staffing (MA3 S1). Jacobs's strengths relating to key personnel and staffing approach demonstrate systemic abilities that will add value throughout all aspects of the JETS contract.²¹ I found that both offerors proposed contract phase-in plans which will enable either contractor to effectively manage contract phase-in. I found no measurable qualitative difference in value between the two offerors' contract phase-in approaches. I considered SGT's weakness for the low proposed exempt employee salary

²⁰ I found the numerous innovations and efficiencies identified in Jacobs's contract management approach, such as the use of Mobile Project Coordination and Dashboards, will add substantial value across a broad range of prospective tasks under the JETS contract as they enable NASA and Jacobs personnel to view status information on projects assigned to the Jacobs team. Jacobs's proposed Integrated Team Management Approach eliminates redundant business management functions and promotes flexibility NASA needs in a budget-constrained and dynamic mission environment. I found substantial value in Jacobs's commitment to a 3-day turnaround for task orders combined with the benefits of the Integrated Team Management Approach to meet emergent mission needs faster and with the right resources regardless of the contractor.

²¹ Jacobs proposed robust qualifications requirements for 21 proposed critical key management and technical aligning those positions with the JETS SOW. Jacobs approach to key personnel is complimented by an effective and efficient approach to staffing requirements for the life of the JETS contract. Jacobs proposed recruitment tools, cross-utilization of employees within JETS contract, and proactive staffing forecasting will permit Jacobs to accommodate changing staffing requirements in a dynamic NASA mission environment.

escalation rate for CY2, and although I agree that this weakness does impose a risk of attrition of professional employees, I found this risk and the associated weakness to be an inconsequential factor in my comparative analysis. Ultimately, I found that Jacobs's overall management approach was more broadly reaching and comprehensive as compared to SGT's and concluded that Jacobs's management approach was qualitatively superior to SGT's.

I then turned to the safety and health approach subfactor. Both offerors received a significant strength in this subfactor and were assigned an adjectival rating of "Excellent." The number of points assigned by the SEB in this subfactor indicated to me that there was a small qualitative advantage to SGT. Both offerors proposed exemplary Safety and Health Plans which exceeded JSC safety requirements as required in the RFP. Both offerors demonstrated a corporate commitment to mitigating safety and health issues. Ultimately, I found SGT's safety and health approach to be somewhat more complete with slightly more corporate dedication to mitigating safety and health issues. I thereby assigned a somewhat higher relative value to SGT for this subfactor.

Under the mission suitability factor, I finally turned to small business participation. Both offerors received a significant strength in this subfactor and were assigned an adjectival rating of "Excellent." The number of points assigned by the SEB for this subfactor indicated to me that there was no qualitative advantage to either offeror. The SEB informed me that it had problems distinguishing between the two small business participation proposals. In this subfactor, Jacobs's proposal was observed to demonstrate exceptional small business utilization and commitment to small businesses. Comparatively, SGT's proposal was observed to contain a small business subcontracting plan that significantly exceeded the requirements of the RFP. Ultimately, I found no measurable qualitative differences between the two proposals regarding this subfactor.

Having completed my analysis under the mission suitability subfactor, I next considered past performance. Both offerors received a Very High Level of Confidence for past performance. When I analyzed the SEB's evaluation, I noted that Jacobs's relevant and recent past performance was deemed "very highly pertinent" as compared to SGT's which was deemed "highly pertinent." This indicated to me that Jacobs might have a qualitative advantage. I then began my detailed qualitative comparative assessment. Although SGT submitted more contracts and subcontracts to cover the prime and major subcontractors, Jacobs's submission included 1 "very relevant"²² and 2 "relevant"²³ contracts for past performance of Jacobs. Comparatively, SGT's submission included 1 "relevant" contract²⁴ and 1 "relevant" subcontract²⁵ for past performance of SGT as well as 1 "relevant" contract for a proposed subcontractor²⁶. For these contracts and subcontract, I determined that Jacobs and SGT received qualitatively equal ratings from their respective questionnaire feedback. I placed a higher relative qualitative value for a "very relevant" assessment as compared to a "relevant" assessment. And, I placed a very low qualitative value on any assessments lower than a "relevant" assessment.²⁷ I also placed a higher relative qualitative value on contracts over subcontracts and contracts of an offeror over a contract of an offeror's proposed subcontractor. I also noted that Jacobs received a slightly higher average award fee score for its "very relevant" and "relevant" contracts as compared to SGT's "relevant" contract and subcontract. I asked the

²² This "very relevant" contract was deemed by the SEB to have very similar magnitude, complexity, and scope as compared to the anticipated work under the JETS contract.

²³ One of the "relevant" contracts was deemed by the SEB to have comparable magnitude and similar complexity and scope as compared to the anticipated work under the JETS contract. The other "relevant" contract was deemed by the SEB to have very similar magnitude, complexity, and scope as compared to the anticipated work under the JETS contract.

²⁴ This contract was deemed by the SEB to have comparable magnitude and similar scope as compared to the anticipated work under the JETS contract.

²⁵ This subcontract was deemed by the SEB to have a similar scope and the SEB's relevant determination was partially based on this subcontract's magnitude.

²⁶ This contract of a proposed subcontractor was deemed by the SEB to have comparable magnitude and scope similar to portions of the JETS contract.

²⁷ Several contracts and subcontracts submitted by both Jacobs and SGT were given a "somewhat relevant" assessment by the SEB.

SEB to provide its assessment relative to depth of coverage of the RFP's SOW in terms of past performance. The SEB informed me that it believed Jacobs had more depth in terms of past performance across the scope of the RFP's SOW and I found value in this assessment. I didn't find any discriminators with respect to the proposed Program Manager for each offeror nor for small business past performance. I did note a very slight qualitative advantage to SGT for its safety and environmental past performance. Ultimately, for the qualitative comparisons stated above, I found greater qualitative value in Jacobs's 1 "very relevant" and 2 "relevant" contract submittals as compared to SGT's 1 "relevant" contract and 1 "relevant" subcontract as well as 1 "relevant" contract for a proposed subcontractor. Stated differently, I determined that Jacobs demonstrated more substantive past experience with contracts of analogous magnitude to the scope and complexity of prospective work under the JETS contract and I assessed a greater qualitative value to Jacobs for the past performance factor.

Following my consideration of the mission suitability and past performance factors, I also considered both offerors' costs. In accordance with RFP Section M, paragraph M.3, mission suitability and past performance, when combined, are significantly more important than cost. Both proposals contained very similar proposed costs. In accordance with RFP Section M, paragraph M.6, the SEB's cost realism analysis was used to develop a probable cost estimate reflecting the Government's best estimate of the cost that is most likely to result from each offerors' approach. In the case of Jacobs, the SEB's cost realism analysis resulted in a very slight downward adjustment to Jacobs's proposed cost. This downward adjustment reflected changes in a Jacobs's subcontractor's indirect rates. In the case of SGT, the SEB's cost realism analysis resulted in a slight upward adjustment. This upward adjustment primarily consisted of adjustments for incumbent labor rates for SGT's team based on their proposal to capture a given percentage of incumbent workforce at current rates. This upward adjustment also included resource adjustments based upon SGT's low exempt employee salary escalation rate for CY2 and error corrections. These upward adjustments resulted in a final probable cost slightly higher than Jacobs's final probable cost.

Although I took note of the fact that Jacobs's final probable cost was slightly lower than SGT's final probable cost, given the magnitude of the JETS contract value, I did not find this difference in final probable contract cost to be a strong discriminator between the two offerors' proposals.

I did engage the SEB in a robust discussion regarding Jacobs's final probable cost to ensure the SEB believed that Jacobs could perform all of the tasks required by the JETS contract with the resources proposed. After reviewing the strength of Jacobs's technical and management approaches, I was satisfied that Jacobs's slightly lower final probable cost did not reflect a technical risk of insufficient resources.

In light of the fact that mission suitability is more important than past performance and mission suitability when combined with past performance, is significantly more important than cost, I determined that mission suitability is a significant discriminator. Based on my comparative assessment, I determined that Jacobs has a superior qualitative advantage over SGT with respect to the mission suitability factor. Jacobs also has a greater qualitative advantage over SGT with respect to the past performance factor and I didn't find an advantage to either SGT or Jacobs in terms of cost. Consequently, I select Jacobs Technology, Inc. for award of the JSC Engineering, Technology and Science Contract at the Johnson Space Center.



Melanie Saunders
Source Selection Authority

2-6-13

Date